

**ASSEMBLY BILL**

**No. 1321**

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**Introduced by Assembly Member Eng**

February 27, 2009

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An act to amend Section 75125 of the Public Resources Code, relating to the environment.

LEGISLATIVE COUNSEL'S DIGEST

AB 1321, as introduced, Eng. Environment: Strategic Growth Council.

The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative statute approved by the voters at the November 7, 2006, statewide general election makes about \$5.4 billion in bond funds available for safe drinking water, water quality and supply, flood control, natural resource protection, and park improvements.

Existing law establishes the Strategic Growth Council and appropriates \$500,000 from the funding provided by the initiative to the Natural Resources Agency to support the council and its activities. Existing law requires the council to take certain actions with regard to coordinating programs of member state agencies to improve air and water quality, improve natural resource protection, increase the availability of affordable housing, improve transportation, meet the goals of the California Global Warming Solutions Act of 2006, encourage sustainable land use planning, and revitalize urban and community centers in a sustainable manner.

This bill would also require the council to develop strategies that would allow for streamlined and effective mitigation of infrastructure projects.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 75125 of the Public Resources Code is  
2     amended to read:  
3     75125. The council shall do all of the following:  
4     (a) Identify and review activities and funding programs of  
5     member state agencies that may be coordinated to improve air and  
6     water quality, improve natural resource protection, increase the  
7     availability of affordable housing, improve transportation, meet  
8     the goals of the California Global Warming Solutions Act of 2006  
9     (Division 25.5 (commencing with Section 38500) of the Health  
10    and Safety Code), encourage sustainable land use planning, *develop*  
11    *strategies that would allow for streamlined and effective mitigation*  
12    *of infrastructure projects*, and revitalize urban and community  
13    centers in a sustainable manner. At a minimum, the council shall  
14    review and comment on the five-year infrastructure plan developed  
15    pursuant to Article 2 (commencing with Section 13100) of Chapter  
16    2 of Part 3 of Division 3 of the Government Code and the State  
17    Environmental Goals and Policy Report developed pursuant to  
18    Section 65041 of the Government Code.  
19    (b) Recommend policies and investment strategies and priorities  
20    to the Governor, the Legislature, and to appropriate state agencies  
21    to encourage the development of sustainable communities, such  
22    as those communities that promote equity, strengthen the economy,  
23    protect the environment, and promote public health and safety,  
24    and is consistent with subdivisions (a) and (c) of Section 75065.  
25    (c) Provide, fund, and distribute data and information to local  
26    governments and regional agencies that will assist in developing  
27    and planning sustainable communities.  
28    (d) Manage and award grants and loans to support the planning  
29    and development of sustainable communities, pursuant to Sections  
30    75127, 75128, and 75129. To implement this subdivision, the  
31    council may do all of the following:  
32    (1) Develop guidelines for awarding financial assistance,  
33    including criteria for eligibility and additional consideration.  
34    (2) Develop criteria for determining the amount of financial  
35    assistance to be awarded. The council shall award a revolving loan

1 to an applicant for a planning project, unless the council determines  
2 that the applicant lacks the fiscal capacity to carry out the project  
3 without a grant. The council may establish criteria that would allow  
4 the applicant to illustrate an ongoing commitment of financial  
5 resources to ensure the completion of the proposed plan or project.

6 (3) Provide for payments of interest on loans made pursuant to  
7 this article. The rate of interest shall not exceed the rate earned by  
8 the Pooled Money Investment Board.

9 (4) Provide for the time period for repaying a loan made  
10 pursuant to this article.

11 (5) Provide for the recovery of funds from an applicant that fails  
12 to complete the project for which financial assistance was awarded.  
13 The council shall direct the State Controller to recover funds by  
14 any available means.

15 (6) Provide technical assistance for application preparation.

16 (7) Designate a state agency or department to administer  
17 technical and financial assistance programs for the disbursing of  
18 grants and loans to support the planning and development of  
19 sustainable communities, pursuant to Sections 75127, 75128, and  
20 75129.

21 (e) No later than July 1, 2010, and every year thereafter, provide  
22 a report to the Legislature that shall include, but is not limited to,  
23 all of the following:

24 (1) A list of applicants for financial assistance.

25 (2) Identification of which applications were approved.

26 (3) The amounts awarded for each approved application.

27 (4) The remaining balance of available funds.

28 (5) A report on the proposed or ongoing management of each  
29 funded project.

30 (6) Any additional minimum requirements and priorities for a  
31 project or plan proposed in a grant or loan application developed  
32 and adopted by the council pursuant to subdivision (c) of Section  
33 75216.